

PRIME MINISTER, DOORSTOP BRISBANE, 3 FEBRUARY 1992.

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PM: I might just begin by saying that I've just completed the last of a national round of discussions. I've got to see one or two more peak industry groups but by and large that completes, today's discussions, completes the round of national talks and now the Government will sit down and largely from here on construct this economic statement which we expect to deliver on 26 February. So the real fightback for Australia, not as I said earlier the phoney one, the pretend one, will begin when the Government announces its statement of economic changes on 26 February.

QUESTION: Mr Keating why bring the statement forward, it was anticipated it was going to be March?

PM: No, no, it's not coming forward, no there's been no, the Government's been thinking about this, presenting it in it's initial week of sittings and that's what we're going to do.

QUESTION: Prime Minister what particular case did Queensland make today? Was there anything that particularly grabbed your attention?

PM: A number of things but they are again, there is, the Premier had, well firstly I had discussion with the Premier about the State, the State's needs, about infrastructure and other issues in particular, and then he convened a meeting of the various sectors of industry and of course they addressed things which were sector specific. Some of them Queensland in general, in the main sector specific, and like all such industry discussions some of it we'd heard before, some of it new and it's the new bits that matter.

QUESTION: Were you impressed with what you heard up there?

PM: Oh I thought it was a very good discussion...I couldn't have hoped for more, I couldn't have hoped for a better discussion.

QUESTION: So it was worthwhile coming?

PM: Absolutely.

QUESTION: What do you mean sector specific?

PM: Well they were talking about tourism, farming, manufacturing, mining, these sorts of things.

QUESTION: Inaudible

PM: Well they are things to note, things for us to note and think about.....no, no, because you might talk about them when we might not in the end decide on things, but it is important for us to get a frame of reference, a framework of reference which you can only get from discussions. I might add by the way Dr Hewson said we shouldn't have been doing any of this. He said businessmen and business women are only looking for a handout and that we shouldn't talk to them. Well that's not been my view. The process of consultation was conducted quite ambitiously through the 1980s and I think Australia has advanced accordingly much faster as a result of the fact that the Government did keep contact with the community in general.

QUESTION: Mr Keating the balance of payments figures today - does the latest figure give you greater room to move in this looming statement of February 26?

PM: Like I said last month, last month's figures didn't contract our room to move and this month's figure doesn't improve it. This is a good number by any measure, imports have fallen away quite sharply and the result is the current account for the month is down. One of the again, good factors, good things there was manufactured exports continued to grow strongly which has been the trend of the last half dozen years and that's of course our saving grace getting that balance between the primary export sector, manufacturing and services.

QUESTION: Well today's figure won't see you loosening the purse strings any more than you've been prepared to do up until now?

PM: No, no because it's, again we make the point about balance of payments figures monthly, they're up one month, down the next, if you average them it's where, it's the three and six month averages where you see the trends and the trend in this one has been the right way.

QUESTION: Spending about two billion in the package?

PM: Well that's for us...you'll have to wait and see what we spend.

QUESTION: Prime Minister are you talking about one-off measures as well as policy changes or.....inaudible...

PM: Well the package will be measures aimed at inducing a recovery and lifting employment, getting back to creating jobs which is the principal thing it's about. But it's about also having a structural and productive focus as well as having an effect on the cycle. In other words we want to do something more clever than simply have a budget bang that costs money and doesn't do much in the long term. We want these changes to be productive and structural as well.

QUESTION: Are you still of the view that some States deserve a leg up over others, such as Victoria?

PM: No, but each States have different problems, Victoria carried the great ballast of manufacturing industry and manufacturing protection and the fallout from a lot of the economic changes have been greater in Victoria than they have in other places. Similarly other States have been affected by downturns in other sectors, obviously what happens in rural commodities affects Queensland more than it affects Victoria.

QUESTION: The Queensland Government is of the view that a leg up say to Victoria would be rewarding them for bad economic management. What's your reaction to that?

PM: Well they didn't put that view to me today.

QUESTION: Mr Keating are you sympathetic to the plight of the farmers for urgent land finance or special assistance in order to assist them to plant a winter crop in the coming weeks?

PM: Well I'm not here to debate specific measures about.....

QUESTION: You did mention the rural downturn in Queensland.

PM: Yes I know, but you must also remember that in terms of ..... commodities, the Government has got a guarantee of three billion in there under wool, we spent a couple, we've got a couple of billion of cover on wheat, and I think, you know, in the face of these international difficulties the Government's done about as much as you can possibly do to generally insulate the various sectors of rural Australia from international declining prices. But fortunately wheat prices are picking up, and that's the most important thing.

QUESTION: A lot of these farmers are still going to need pretty easy access to plant a crop.

PM: But part of it was uncertainty about prices and wheat prices have picked up.

QUESTION: Prime Minister Mr Goss said this morning if any State deserves special attention it should be the big growth States like Queensland and Western Australia because of their capacity to lead Australia out of recession through the resource and tourism sectors. Have you got any sympathy for that view?

PM: I have, I have, but other Premiers will say they have got the big populations and the big problems and what do you say to that?

QUESTION: Well what do you say?

PM: Well I think they've both got a case and that's why I think one has to have a decent balance in one's view about things and do things which are to the national good, that have national effects and that have a common thread running through them.

QUESTION: Queensland will be happy though do you think when you bring the statement down?

PM: Well I should hope so, I mean as Treasurer I often defended the fact against the Premier of NSW and the Premiers of Victoria of my support for federal funding for Queensland - the adoption of Grants Commission formulae which they always regarded as a travesty. I still defended it and Queensland got the money.

QUESTION: Should these measures you are looking at be population driven or should they be industry driven?

PM: Oh that's too simplistic a question.

QUESTION: But were you criticised today for giving Queensland too little priority, in fact getting here too late in the exercise?

PM: Not at all, I mean I arranged this weeks ago and it's just a matter of sticking to an itinerary. No I think, look, this notion about - which I noticed in some of the newspapers about Queensland not getting attention, is really not on. I mean I notice the Courier Mail today is attacking us because there are not enough company directors on company boards in Queensland. This is a Federal Government sin apparently and then it said also it was not getting enough super fund money, so apparently this is a Federal Government problem. The fact is this sort of State-centric view of the world I think does not do Queensland justice, Queensland is better than that, it's doing better than that and the fact is obvious in the fact it's got so much growth which has occurred in the State.

QUESTION: Mr Keating can you assure Queensland electors that they are not going to suffer as a result of Queensland's ALP largely firm backing for ex-Prime Minister Hawke?

PM: Oh well I, look, you know, I'm here to talk about jobs, recovery, the future of the economy, not the Queensland Labor Party's view about particular things including that.

QUESTION: You are working with the Premier closely?